



FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36237]

Tulsa-Sapulpa Union Railway Company, L.L.C.—Lease Renewal Exemption with Interchange Commitment—Union Pacific Railroad Company

Tulsa-Sapulpa Union Railway Company, L.L.C. (TSU), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to renew its lease of approximately 12.86 miles of railroad line owned by Union Pacific Railroad Company (UP), located in Tulsa County, Okla. (the Line). The Line, known as the Jenks Industrial Lead, extends from milepost 136.40 near the Kimberly Clark facility in Jenks, Okla., to the end of UP's ownership at milepost 149.26 and the connection with UP's trackage rights over BNSF Railway Company in Tulsa, Okla.

TSU states that it and UP previously executed a lease agreement regarding the Line in 2001.¹ TSU states that the new lease agreement, dated as of December 21, 2018, has an initial five-year term that may be extended by TSU for an additional 15 years.

TSU certifies that its projected annual revenues from this transaction will not result in its becoming a Class I or Class II rail carrier and will not exceed \$5 million. As required under 49 CFR 1150.43(h)(1), TSU has disclosed in its verified notice that the lease renewal agreement contains an interchange commitment that charges TSU an asset use fee for carloads that originate or terminate on the Line that are not interchanged to

¹ Tulsa-Sapulpa Union Ry.—Lease & Operation Exemption—Union Pac. R.R., FD 33974 (STB served Dec. 26, 2000, corrected Feb. 12, 2001).

UP.² TSU has provided additional information regarding the interchange commitment as required by 49 CFR 1150.43(h).

TSU states in its verified notice that it intends to consummate the proposed lease renewal on or shortly after December 21, 2018. The earliest this transaction may be consummated is December 7, 2018 (30 days after the verified notice was filed).

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions to stay must be filed no later than November 30, 2018 (at least seven days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 36237, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on TSU's representative, Audrey L. Brodrick, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 800, Chicago, IL 60606-3208.

According to TSU, this action is categorically excluded from environmental review under 49 CFR 1105.6(c) and from historic reporting under 49 CFR 1105.8(b).

Board decisions and notices are available on our website at www.stb.gov.

Decided: November 19, 2018.

By the Board, Scott M. Zimmerman, Acting Director, Office of Proceedings.

² TSU submitted under seal a copy of the lease renewal agreement with its verified notice of exemption.

Aretha Laws-Byrum,

Clearance Clerk.

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